

workers have lost their jobs. We could address this problem by temporarily extending unemployment insurance.

What we do not know, is whether a more comprehensive stimulus package at this point is really necessary.

I submit that the danger we face is not that the economy won't turn around—inevitably it will—but that we may unnecessarily worsen our budgetary position by taking unnecessary, but politically popular, action on a so-called “stimulus package.”

Any stimulus package, at least in the short-term, will increase the projected budget deficits for fiscal years 2002 and 2003. We may well need to devote more resources to our military overseas and to homeland defense, and we will have to bear the costs of doing so.

The erosion in the budget picture over the past year, along with the defense and homeland security demands placed on our budget and the inevitable long-term Social Security and Medicare deficits overshadowing the retirement of the baby-boomers, suggests that tough choices must be made as to whether the limited dollars we spend will provide a worthwhile return on our investment. From what we have seen from experts ranging from the Federal Reserve Chairman, to Congressional Budget Office officials, to private-sector economists, a stimulus package does not meet that test.

ECONOMIC STIMULUS

Mr. ENZI. Mr. President, I thank you for the opportunity to comment on the Senate's inability to pass an economic stimulus package. I, like most of my colleagues, wanted to pass an economic stimulus package. We wanted to pass such a package not only at the end of last year, but at the beginning of this year in order to jump start our economy.

Finally, the majority leader allowed us an opportunity to look at an economic stimulus bill. But it wasn't a bill that came out of the Senate Finance Committee nor was it the bipartisan/centrist proposal offered by my colleagues and which the President said he would support. Instead, it was a one-man show, put on the floor with no input from other Senators.

As I said on the floor almost 2 weeks ago, the Daschle substitute amendment is much like a patient needing emergency treatment. Our only choice was to patch it up.

So, for the last several days, we were performing emergency surgery—one “amendment bandage” at a time. Some of my colleagues have since described the stimulus package or the economy as a patient on life support.

While I am not a surgeon, I do take great pride in being the only accountant in the Senate. As a result, I think I have a good understanding of what is needed to help the economy. So, I had a few amendments to offer to fix up the substitute amendment offered by the majority leader, and to really help stimulate the economy.

One of those amendments would have repealed the special occupational tax on alcohol. This is an unfair tax imposed on all businesses that manufacture, distribute or sell alcohol products. It is one of the most egregious taxes to affect small businesses. My amendment would have taken a regulation and tax off the books which the General Accounting Office has concluded cost too much to administer compared to the revenues it generates. That is a bad tax.

And it is unfair, too. The same tax is paid by little businesses as large ones. Let me explain. Right now, four small family-owned bait shops which sell beer pay as much in taxes as the nation's largest single site brewery—a whopping \$1,000.

Repeal of this tax would have helped stimulate the economy. Last year, rebate checks put \$300 in American citizens' back pockets, and most people went out and spent it on much needed back-to-school clothes and supplies; toward that new computer; and to buy groceries.

My amendment would have put \$250 to \$500 back in the hands of small “Mom and Pop” businesses around the country. In turn, those small businesses owners would have used that extra money to make more needed purchases or pay expenses.

I also had a couple other amendments to offer. One would have put more money into the hands of charities, who in turn could buy needed supplies, including food, clothing, shelter, blankets, medicine, and hygiene and other products. When charities buy these things they are not only helping those in need, they are helping businesses and workers who manufacture or sell those products or services. In a small, but important way, this would also stimulate the economy.

How would my amendment have done this? It would have allowed those contributing their IRA's to charities to not have to pay a tax on the distribution to the charity. In other words, the government won't be skimming money off the donation. As a result, charities would have had more money, and the donors would have had the pleasure of giving more and the feeling of helping their communities and our nation.

My colleagues on both sides of the aisle had good amendments to offer too. The senior Senator from Montana and I had a drought relief amendment we could have used to help ranchers and farmers. I proudly endorsed our bipartisan amendment. Wyoming really needs the drought relief contained in that piece of legislation.

The senior Senator from Texas had amendments to speed up the tax rate reductions and tax cuts implemented last year. Senator BOND had an amendment that passed the Senate 92 to 0 to allow an increase in small businesses expensing. This would have given vital assistance to small businesses across this country affected by the recession we are in. The Senator from Idaho had

an amendment to make the death tax repeal permanent.

Well, we do have a death right now to contend with, and it's a casualty that even Senator KYL's death tax amendment can't help. As my colleague from Georgia explained, we are now having to pull the plug on an economic stimulus bill and will be attending a funeral on its demise. Why? Because this country could have largely benefitted from a reasonable economic stimulus package, which now will not be passed.

Like my distinguished colleague Senator MILLER said, we are all here giving our eulogies. Those eulogies extend to those many amendments truly meant to stimulate the economy. It is extremely disappointing we will not be able to help the unemployed, or our American workers and small businesses.

Mr. President, I yield the floor.

THE NEED FOR A STIMULUS BILL

Mr. VOINOVICH. Mr. President, with the votes that have been cast this afternoon, we have once again shown the American people that we have put politics before their needs. Quite frankly, I think this body should be ashamed that we could not rise above our party differences and give the American people a stimulus package that will help secure our economy, put people back to work and respond to the human suffering that is occurring as a result of the recession.

Too often, it seems to me, we spend more time trying to score political points than addressing the needs of real people. And I can tell you, there are real needs in the State of Ohio. Despite claims that an economic turn around is just around the corner, the citizens of my State are still suffering the effects of this recession. Many more are “shaking in their boots,” wondering if they are going to be laid-off and the next to join the unemployment line.

Since the first week of December, we have had 320 companies in Ohio announce their intention to lay-off workers, affecting nearly 70,000 people.

Right now, we have some 191,000 people receiving unemployment benefits, and each week, thousands file for initial benefits.

Also each week, around 3,000 people exhaust their benefits without having found another job.

In 2001, initial unemployment claims in my state jumped by 41.5 percent compared to 2000—the highest since 1992.

While the U.S. Department of Commerce reported a two tenths of a percent increase in the economy in the fourth quarter, I consider it anemic economic growth, which is providing little benefit—if any to the men and women of Ohio.

We need robust growth, and a balanced stimulus package is critical to getting us there.

The President was right on target in his State of the Union address last